



DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Broadband Pilot Program - ReConnect Program

AGENCY: Rural Utilities Service, Department of Agriculture.

ACTION: Establishment of application deadlines, and Clarification

SUMMARY: The Rural Utilities Service (RUS) announced its general policy and application procedures for funding under the eConnectivity Pilot Program (ReConnect Program) on December 14, 2018, in the *Federal Register*. The Reconnect Program will provide loans, grants, and loan/grant combinations to facilitate broadband deployment in rural areas. In facilitating the expansion of broadband services and infrastructure, ReConnect will fuel long-term rural economic development and opportunities in rural America. The awards made under this program will bring high speed broadband to the farms which will allow them to increase productivity. This Notice amends the original application window closing dates that were published in the December 14, 2018, Federal Register Notice and provides the anticipated date that the opening application window will be announced.

DATES: In March 2019, the Agency will announce the date that applications will start being accepted through <https://reconnect.usda.gov>. Please note there are three funding categories with each category having different application windows (as referenced in Section II of Supplementary Information). Please refer to the specific funding category for the appropriate application deadline.

ADDRESSES: The application system for electronic submissions will be available at <https://reconnect.usda.gov>.

Electronic submissions: Electronic submissions of applications will allow for the expeditious review of an Applicant's proposal. As a result, all Applicants must file their application electronically.

FOR FURTHER INFORMATION CONTACT: For general inquiries, contact Chad Parker, Assistant Administrator Telecommunications Program, Rural Utilities Service, U.S. Department of Agriculture (USDA), email: chad.parker@wdc.usda.gov, telephone (202) 720-9554. You may obtain additional information regarding applications at <https://reconnect.usda.gov>.

SUPPLEMENTARY INFORMATION:

Authority: This solicitation is issued pursuant to the Consolidated Appropriations Act, 2018, Pub. L. 115-141, and the Rural Electrification Act of 1936, 7 U.S.C. § 901 *et seq.*

Overview

Federal Agency: Rural Utilities Service, USDA.

Funding Opportunity Title: Rural eConnectivity Pilot Program (ReConnect Program).

Announcement Type: Funding Opportunity Announcement (FOA) and solicitation of applications.

Catalog of Federal Domestic Assistance (CFDA) Number: Rural eConnectivity Pilot Program (ReConnect Program) - 10.752.

I. Background

On March 23, 2018, Congress passed the Consolidated Appropriations Act 2018 (the FY2018 Appropriations), which established a broadband loan and grant pilot program, the Rural eConnectivity Pilot Program (hereinafter the ReConnect Program). One of the essential goals of the ReConnect Program is to expand broadband service to rural areas without sufficient access to broadband, defined as 10 megabits per second (Mbps) downstream and 1 Mbps upstream. For

this purpose, Congress provided RUS with \$600 million and expanded its existing authority to make loans and grants.

On December 14, 2018, RUS published a Funding Opportunity Announcement (FOA) and solicitation of applications in the Federal Register at 83 FR 64315. The FOA provided the policy and application procedures for the ReConnect Program. As announced in the FOA, the agency is publishing this notice to provide the final application windows for the ReConnect Program.

II. Funding Categories and Application Submission Dates

A. Funding Categories

1. 100 Percent Loan

Applications will be accepted on a rolling basis through July 12, 2019. In the event two loan applications are received for the same proposed funded service area, the application to arrive first will be considered first.

2. 50 Percent Loan/50 Percent Grant Combination

Applications will be accepted through June 21, 2019. Notwithstanding overlapping applications, generally all eligible applications will be scored and the applications with the highest score will receive an award offer until all funds are expended for this category. Scoring criteria was established in the Federal Register Funding Opportunity Announcement on December 14, 2018, and can also be found on the website <https://reconnect.usda.gov>.

3. 100 Percent Grant

Applications will be accepted through May 31, 2019. Notwithstanding overlapping applications, generally all eligible applications will be scored and the applications with the highest score will receive an award offer until all funds are expended for this category. Scoring

criteria was established in the Federal Register Funding Opportunity Announcement on December 14, 2018, and can also be found on the website <https://reconnect.usda.gov>.

B. Available Funds

1. General

Approximately \$600,000,000 in funding has been set aside for funding opportunities under this FOA.

2. Funding Limits

Award amounts under this FOA will be limited as follows:

a. 100 Percent Loan. Up to \$200,000,000 is available for loans. The maximum amount that can be requested in an application is \$50,000,000.

b. 50 Percent Loan – 50 Percent Grant. Up to \$200,000,000 is available for loan/grant combinations. The maximum amount that can be requested in an application is \$25,000,000 for the loan and \$25,000,000 for the grant. Loan and grant amounts will always be equal.

c. 100 Percent Grant. Up to \$200,000,000 is available for grants. The maximum amount that can be requested in an application is \$25,000,000.

d. Reserve. Additional budget authority is available for a reserve, which may be used for loans or grants under this FOA, or may be included in additional FOAs. The agency reserves the right to increase funding utilizing the application queue under this FOA should additional appropriations become available for the same purposes.

3. Repooling

RUS retains the discretion to divert funds from one funding category to another.

4. Award Period

Awards can be made until all funds have been expended in any given funding category. While the completion time will vary depending on the complexity of the project, award recipients must complete construction of their projects within 5 years from the date funds are first made available.

5. Type of Funding Instrument

The funding instruments will be grants, loans, and loan/grant combinations.

III. Program Requirements

To be eligible for an award, applications must meet all the requirements contained in FOA that opened the ReConnect Program which was published in the Federal Register on December 14, 2018, at 83 FR 64315. Information can also be found at <https://reconnect.usda.gov>.

IV. Program Clarification

This Announcement clarifies that the appropriate State official referenced in Section VII(a)(9) of the FOA, included for reference below, is the Governor of the State. Certifications from anyone other than the Governor will not be accepted and the associated points will not be awarded.

Section VII(a)(9) State Broadband Activity (20 points)

For projects that are in a State that has a broadband plan that has been updated within five years of the date of publication the Federal Register Funding Opportunity Announcement published on December 14, 2018, 10 points will be awarded. An additional 5 points will be awarded for projects located in states that do not restrict utilities from delivering broadband service, and 5 more points for projects located in states that expedite right-of-way and environmental permitting requirements.

In order to receive these points related to State government actions, each application will be required to submit evidence from the appropriate State official that a broadband plan is up-to-date and available on a public website, that there are no restrictions on utilities participating in the provision of broadband service, and that procedures are in place for expediting administrative activities for completing right-of-way and environmental permitting requirements that can be executed for the project if necessary, in order to meet the Agency's project build-out timelines. If service is proposed in multiple states, then evidence must be submitted from each state to get the appropriate points.

Dated: February 19, 2019.

Bette B. Brand,

Acting Administrator,

Rural Utilities Service.

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